

Al Ahli Gulf Fund

FACT SHEET - MARCH 2006



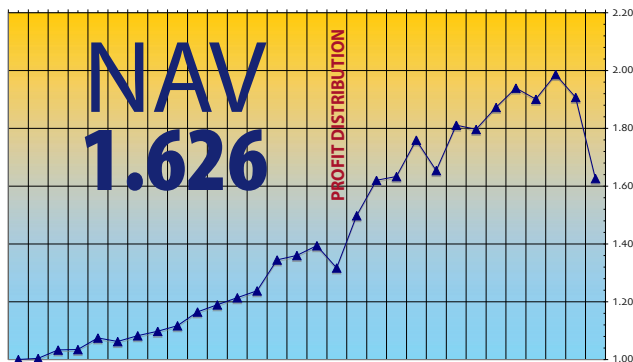
Al Ahli
Gulf Fund

P.O.Box: 1387 Safat, 13014 Kuwait - Tel.: +965 240 0900 Ext. 2270 / 2527 / 2141 - Fax: +965 242 8547 - www.abk-kuwait.com

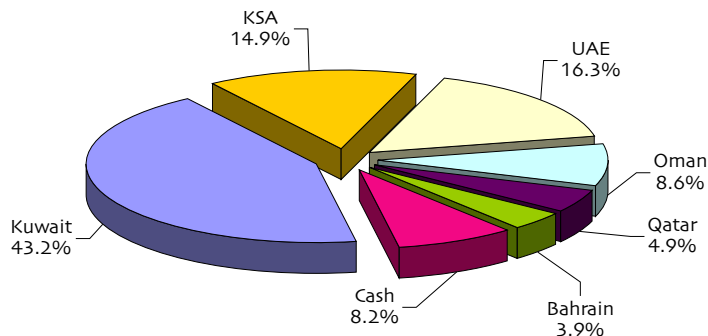
Fund Objective

To achieve long-term capital appreciation through investing in the shares of companies listed across all GCC exchanges by realizing outstanding investment returns with an acceptable level of investment risk.

Performance Chart



GCC Market Allocations



Performance Summary

NAV	Mar'06	YTD'06	2005 ⁽¹⁾	2004	Since Inception ⁽²⁾
KD 1.626	-14.2%	-13.72%	+53.05%	+31.6%	+93.97%

(1) Inclusive of 2004 dividends distributed during 2005 (2) Inclusive of dividends distributed since inception

Monthly Performance

Jan'06	Feb'06	Mar'06	Apr'06	May'06	Jun'06
+4.46%	-3.98%	-14.2%			
Jul'06	Aug'06	Sep'06	Oct'06	Nov'06	Dec'06

Country Manager Market Per.

Country	Manager	Market Per.	
		MTD	YTD
Kuwait	Al Ahli Bank of Kuwait	-14.26%	-13.53%
KSA	Saudi British Bank	-12.52%	+2.08%
UAE	NBAD/Shuaa Capital	-14.77%	-45.46%
Oman	Bank Muscat	+1.64%	+9.77%
Qatar	Shuaa Capital/Taib	+3.94%	-19.13%
Bahrain	Taib Bank	-5.63%	-2.63%

Top 3 Positions / Market

Kuwait	KSA	UAE
KFH	SABIC	Emaar
BB	STC	Etisalat
CBK	Al Rajhi	NBAD
Oman	Qatar	Bahrain
Bank Muscat	QNB	BCFC
NBO	Indust. Qatar	AUB
OIB	Qatar Telecom	BBK

Executive Summary

Fund Type:	Open-ended				
Subscription /Redemption:	Monthly				
Launch Date:	November 2003				
Management Fees:	1.25%				
Incentive Fees:	10% over 10% Hurdle				
Manager:	Al Ahli Bank of Kuwait				
Custodian:	Kuwait Clearing Co.				
Nominal Price:	KD 1.000 / Unit				
Next Dealing Date:	24 th April 2006				
Last Dealing Price:	KD 1.625555 / Unit				
Dividends distributed:	<table border="1"> <thead> <tr> <th>2004</th> <th>Since Inception</th> </tr> </thead> <tbody> <tr> <td>KD 0.180</td> <td>KD 0.180</td> </tr> </tbody> </table>	2004	Since Inception	KD 0.180	KD 0.180
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GCC Market Review

During the month of March, the GCC stock markets came under a strong bout of selling pressure as all the markets with the exception of Oman and Qatar ended the month in red. The Qatari market was the best performer while the UAE markets registered the worst performance. The Saudi Market registered a decline of 12.5% for the month of March and the market capitalization stood at SAR2.3Tn. The major Banking, Industrial, Cement and Agriculture indexes dropped while Services, Telecom, Insurance, and Agriculture indexes edged higher.

However, the market participants were expecting profit booking as some of the markets looked stretched and the market cap growth had abnormally out-performed the corporate earnings growth. The liquidity in the market has also taken a hit owing to the IPOs, rights issues and capital expansions undertaken by the corporate/banks in the region. We believe that with the capital expansions and new issues, the free float is likely to increase in the market making the market more liquid and deep.

We reiterate that the fundamentals of our economies and particularly that of the corporates remain strong. The market is expected to stabilize in the long run supported high oil prices, huge liquidity, and huge local Govt. budget surpluses etc.

Fund Review

The negative performance through out the GCC markets was reflected on the Funds performance for the month of March. The funds exposure to the different GCC markets was revised in an effort to reduce losses. By reallocating the fund exposure into Low risk level, the fund takes a more conservative approach among all countries.

During the month, we continued our strategy to strengthen the Fund's exposure in the Kuwaiti market by adding undervalued stocks with strong profits.

We continue to believe that the GCC markets will stabilize in the coming months and that the fund's allocations are well poised to benefit the maximum once the GCC markets return to a bullish environment.